

31 December 2021

Notice of Amendments to Terms and Conditions for USD Overdraft Facility Services

Thank you for choosing the USD overdraft facility services of Bank of China (Hong Kong) Limited (the "Bank").

Please be informed that the terms and conditions for USD overdraft facility services have been revised, including "General Terms and Conditions for General Banking Facilities and Loan Facility(ies)", "General Terms and Conditions for General Banking Facilities and Loan Facility(ies) (including those relating to Policy Pledge Loan)" and "Terms and Conditions for Premium Financing Overdraft Facility". **The relevant changes will be effective from 1 March 2022** ("Effective Date"). Details of amendments are as follows:

1. Remove overnight LIBOR as references in determining interest and default interest / charges for USD overdraft facility, per the details set out in the table below.

General Terms and Conditions for General Banking Facilities and Loan Facility(ies), General Terms and Conditions for General Banking Facilities and Loan Facility(ies) (including those relating to Policy Pledge Loan)	
Existing provisions	Amendments
<p>Clause 3.6 In respect of USD O/D, the Bank shall be entitled to charge the highest of (i) the Original Interest Rate applicable to such facilities; <u>or (ii) the overnight LIBOR plus 4% per annum;</u> or (iii) the Bank's Cost of Funds as may be quoted by the Bank from time to time.</p>	<p>Clause 3.6 In respect of USD O/D, the Bank shall be entitled to charge the highest of (i) the Original Interest Rate applicable to such facilities; or (ii) the Bank's Cost of Funds as may be quoted by the Bank from time to time.</p>
<p>Clause 6.2(b) In respect of USD O/D, at (i) the USD Prime plus the applicable Default Margin, <u>or (ii) the overnight LIBOR plus 4% per annum;</u> or (iii) the Bank's Cost of Funds, whichever is the highest, provided that the foregoing default rate and method of calculation shall apply irrespective of whether the due but unpaid overdrafts fall within the overdraft limit previously allowed by the Bank or otherwise.</p>	<p>Clause 6.2(b) In respect of USD O/D, at (i) the USD Prime plus the applicable Default Margin, or (ii) the Bank's Cost of Funds, whichever is the highest, provided that the foregoing default rate and method of calculation shall apply irrespective of whether the due but unpaid overdrafts fall within the overdraft limit previously allowed by the Bank or otherwise.</p>
<p>Clause 6.3(b) In respect of USD O/D, the Bank shall have the right to charge default interest at (i) the USD Prime plus 6% per annum, <u>or (ii) the overnight LIBOR plus 4% per annum</u> or, (iii) the Bank's Cost of Funds, or (iv) the Original Interest Rate applicable to the USD O/D, whichever is the highest, on any sum which is overdrawn in excess of the applicable pre-agreed overdraft limit, whether such excess is allowed by the Bank in the exercise of its discretion or upon the request of the Borrower or otherwise.</p>	<p>Clause 6.3(b) In respect of USD O/D, the Bank shall have the right to charge default interest at (i) the USD Prime plus 6% per annum, or (ii) the Bank's Cost of Funds, or (iii) the Original Interest Rate applicable to the USD O/D, whichever is the highest, on any sum which is overdrawn in excess of the applicable pre-agreed overdraft limit, whether such excess is allowed by the Bank in the exercise of its discretion or upon the request of the Borrower or otherwise.</p>

Terms and Conditions for Premium Financing Overdraft Facility	
Existing provisions	Amendments
<p>Clause 3.5 In respect of the Facility in USD, the Bank shall be entitled to charge the highest of (i) the Original Interest Rate applicable to the Facility; <u>or (ii) the overnight LIBOR plus 4% per annum;</u> or (iii) the Bank's Cost of Funds as may be quoted by the Bank from time to time.</p>	<p>Clause 3.5 In respect of the Facility in USD, the Bank shall be entitled to charge the highest of (i) the Original Interest Rate applicable to the Facility; or (ii) the Bank's Cost of Funds as may be quoted by the Bank from time to time.</p>
<p>Clause 6.2 In respect of the Facility in HKD, the Bank reserves the right to charge default interest (before as well as after judgment) on a day to day basis on any sum which is not paid when due at (i) the HKD Prime plus the applicable Default Margin, or (ii) the overnight HIBOR, or (iii) the Bank's Cost of Funds, whichever is the highest, and in respect of the Facility in USD, the Bank reserves the right to charge default interest (before as well as after judgment) on a day to day basis on any sum which is not paid when due at (i) the USD Prime plus the applicable Default Margin, <u>or (ii) the overnight LIBOR plus 4% per annum,</u> or (iii) the Bank's Cost of Funds, whichever is the highest. The foregoing default rate and method of calculation shall apply irrespective of whether the due but unpaid overdrafts fall within the overdraft limit previously allowed by the Bank or otherwise.</p>	<p>Clause 6.2 In respect of the Facility in HKD, the Bank reserves the right to charge default interest (before as well as after judgment) on a day to day basis on any sum which is not paid when due at (i) the HKD Prime plus the applicable Default Margin, or (ii) the overnight HIBOR, or (iii) the Bank's Cost of Funds, whichever is the highest, and in respect of the Facility in USD, the Bank reserves the right to charge default interest (before as well as after judgment) on a day to day basis on any sum which is not paid when due at (i) the USD Prime plus the applicable Default Margin, or (ii) the Bank's Cost of Funds, whichever is the highest. The foregoing default rate and method of calculation shall apply irrespective of whether the due but unpaid overdrafts fall within the overdraft limit previously allowed by the Bank or otherwise.</p>
<p>Clause 6.3 In respect of the Facility in HKD, the Bank shall have the right to charge default interest at the higher of (i) such default rate and in such method of calculation as set out in Clause 6.2 on any sum which is overdrawn in excess of the applicable pre-agreed overdraft limit, whether such excess is allowed by the Bank in the exercise of its discretion or upon the request of the Borrower or otherwise, or (ii) the Original Interest Rate. In respect of Facility in USD, the Bank shall have the right to charge default interest at (i) the USD Prime plus 6% per annum, <u>or (ii) the overnight LIBOR plus 4% per annum</u> or, (iii) the Bank's Cost of Funds, or (iv) the Original Interest Rate applicable to the Facility in USD, whichever is the highest, on any sum which is overdrawn in excess of the applicable pre-agreed overdraft limit, whether such excess is allowed by the Bank in the exercise of its discretion or upon the request of the Borrower or otherwise.</p>	<p>Clause 6.3 In respect of the Facility in HKD, the Bank shall have the right to charge default interest at the higher of (i) such default rate and in such method of calculation as set out in Clause 6.2 on any sum which is overdrawn in excess of the applicable pre-agreed overdraft limit, whether such excess is allowed by the Bank in the exercise of its discretion or upon the request of the Borrower or otherwise, or (ii) the Original Interest Rate. In respect of Facility in USD, the Bank shall have the right to charge default interest at (i) the USD Prime plus 6% per annum, or (ii) the Bank's Cost of Funds, or (iii) the Original Interest Rate applicable to the Facility in USD, whichever is the highest, on any sum which is overdrawn in excess of the applicable pre-agreed overdraft limit, whether such excess is allowed by the Bank in the exercise of its discretion or upon the request of the Borrower or otherwise.</p>

Please note that the above amendments shall be binding on you if you continue to maintain or use our services on or after the Effective Date of the above amendments. If you do not accept the amendments, we may not be able to continue to provide services to you.

Should you have any enquiry / response regarding the amendments, please contact your Relationship Manager or our dedicated hotline (Personal Banking Customer (852) 3669 3233 / Corporate Banking Customer (852) 3988 2288).

Should there be any discrepancy between the English and Chinese versions of this notice, the English version shall prevail.

Reminder : To borrow or not to borrow ? Borrow only if you can repay !

Bank of China (Hong Kong) Limited